



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/757,722	01/08/2001	Bob Francis	ZL370/01001	8367

22884 7590 11/14/2006

MIDDLETON & REUTLINGER  
2500 BROWN & WILLIAMSON TOWER  
LOUISVILLE, KY 40202

EXAMINER

HAVAN, THU THAO

ART UNIT PAPER NUMBER

3691

DATE MAILED: 11/14/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/757,722

Applicant(s)

FRANCIS ET AL.

Examiner

Thu Thao Havan

Art Unit

3691

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 11 September 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-10, 12-23 and 25-28 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-10, 12-23, and 25-28 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### **Detailed Action**

#### ***Response to Amendment***

Claims 1-10, 12-23, and 25-28 are pending. This action is in response to the RCE received September 11, 2006.

#### ***Response to Arguments***

Applicant's arguments with respect to claims 1-10, 12-23, and 25-28 have been considered but are moot in view of the new ground(s) of rejection.

### **Claim Rejections - 35 USC § 103**

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims **1-10, 12-23, and 25-28** are rejected under 35 U.S.C. 103(a) as being unpatentable over Friedland et al. (US 6,449,601) in view of Rackson et al. (US 6,415,270).

Re claims **1** and **13**, Friedland teaches a method of accepting prebids in advance of a live auction (col. 6, lines 14-15), said method comprising:

a) providing a prebid web site (col. 6, lines 17-22) system to accept prebids (fig. 2, element 206), said web site system including a merchandise database of information pertaining to auction lots to be sold in live auctions and a prebid database in which the details of prebids received in respect of said auction lots can be stored (figs. 3 and 4);

b) using said web site system to accept prebids in respect of an auction lot (fig. 5-6) by:

i) allowing bidders to transmit prebids from bidder computers to said web site system within a specified time frame, wherein each prebid transmitted includes a maximum prebid amount (fig. 7, element 724);

ii) recording said prebids in said prebid database (col. 8, lines 51-67; fig. 14, element 1410);

iii) upon expiry of said specified time frame accepting no further prebids and selecting the winning prebid (col. 6, lines 55-66); and

iv) submitting said winning prebid from the prebid database to the live auction of said auction lot (col. 6, lines 14-67). *In other words, Friedland discloses prebid via an internet. Once the prebid is implemented than a live auction is taken place. The prebid information is stored in a database wherein the bidder selected particular categories of lots. Also, a transition from the active state to the inactive state may occur upon the expiration of a defined bidding period or, in other words, via a timeout.*

However, Friedland does not explicitly teach wherein each prebid transmitted includes a maximum prebid amount and wherein at least one of prebids is a flexible prebid that includes an opening prebid amount in addition to the maximum prebid amount. On the other hand, Rackson discloses wherein each prebid transmitted includes a maximum prebid amount and wherein at least one of prebids is a flexible prebid that includes an opening prebid amount in addition to the maximum prebid amount when he discloses bidders place bids for the maximum price they would pay for a quantity of the items (col. 6, line 44 to col. 7,

Art Unit: 3691

line 36; col. 22, line 26 to col. 24, line 55; figs. 4-9). Rackson discloses the competing bidders are operating under control of a programmed bidding strategy where the maximum bid for the bidder may be determined from their prior bid activity. He also discloses the multi-auction service may recommend that the bidder forego bidding on items where current bidders tend to drive prices above the multi-auction bidder specified value maximum price where the top final bid is predicted to be higher than bidder's specified maximum bid. Thus, it would have been obvious to one of ordinary skill in the art to implement the step of each prebid transmitted includes a maximum prebid amount and wherein at least one of prebids is a flexible prebid that includes an opening prebid amount in addition to the maximum prebid amount when live auction criteria may be inputted (i.e. a flexible prebid) such as maximum price (similar to a reverse reserve price) as discloses in Rackson.

Re claims **2** and **14**, Friedland teaches winning prebid in respect of an auction lot is the prebid with the highest maximum prebid amount (col. 7, lines 1-20; fig. 10 (element 1016). *Friedland chooses highest maximum prebid amount by choosing the bidder with the highest bid.*

Re claims **3-5** and **15-17**, Friedland teaches live auction is a physical auction and an online auction and wherein live auction is a combined physical and online auction (fig. 3). *In figure 3, Friedland discloses both online auction and a physical auction.*

Re claims **6-7, 18, 20-21**, and **25**, Friedland teaches a bidder is only allowed to submit one prebid in respect of each auction lot and a bidder is able to submit more than one prebid in respect of each auction lot (col. 12, line 42 to col. 13, line 14).

Re claims **8-10, 19, and 26**, Friedland teaches prebid web site system is operatively connected to said online auction, and wherein said winning prebid is automatically submitted to the live auction, winning prebid comprises manually entering said winning prebid into said physical auction sale, prebid web site system is operatively connected to said online auction, and wherein said winning prebid is automatically submitted to said live auction (col. 14, line 44 to col. 15, line 21).

Re claims **11-12 and 24**, Friedland teaches a prebid can optionally include an opening prebid amount in addition to the maximum prebid amount and no two prebids are allowed to have the same maximum prebid amount (col. 6, line 53 to col. 7, line 20).  
*Friedland discloses the highest prebid amount as the maximum prebid amount.*

Re claims **22-23**, Friedland teaches prebid control system allows a bidder to view information from the merchandise database from their bidder computer and prebid control system allows a bidder to view information from the prebid database from their bidder computer (figs. 3, 5, and 9). *In figures 3, 5, and 9, Friedland's system permits a bidder to view information as claimed in the limitations.*

Re claims **27-28**, Friedland and X teach a method as claimed in claims 1 and 13.  
Therefore the rationale applied in the rejection of claims 1 and 13 applies herein.

### Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thu Thao Havan whose telephone number is (571) 272-8111. The examiner can normally be reached on Monday-Thursday.

Art Unit: 3691

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is (703) 872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct-uspto.gov/>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at (866) 217-9197 (toll-free).



Thu Thao Havan  
Art Unit: 3691  
11/10/2006